
VIEW DOCUMENT

The Arizona Revised Statutes have been updated to include the revised sections from the 56th Legislature, 1st Regular Session. Please note that the next update of this compilation will not take place until after the conclusion of the 56th Legislature, 2nd Regular Session, which convenes in January 2024.

DISCLAIMER

This online version of the Arizona Revised Statutes is primarily maintained for legislative drafting purposes and reflects the version of law that is effective on January 1st of the year following the most recent legislative session. The official version of the Arizona Revised Statutes is published by Thomson Reuters.

28-9602. Insurance requirements

A. Except as otherwise provided in subsections B and C of this section, a peer-to-peer car sharing program shall assume the liability of a shared vehicle owner for bodily injury or property damage that occurs to a third party during the car sharing period in an amount that is stated in the car sharing program agreement and that is not less than the minimum amount of coverage required by section 28-4009.

B. A peer-to-peer car sharing program is not liable for bodily injury or property damage to a third party in an amount that is more than the minimum amount of coverage required by section 28-4009 if either of the following occurs:

1. The shared vehicle owner makes an intentional or fraudulent material misrepresentation or omission to the peer-to-peer car sharing program before the car sharing period in which the loss occurs and the bodily injury or property damage is to a third party.

2. The shared vehicle owner acts in concert with the shared vehicle driver who fails to return the shared vehicle pursuant to the car sharing program agreement.

C. Notwithstanding the car sharing termination time, the assumption of liability under subsection A of this section applies to bodily injury and property damage to third parties as required by section 28-4009.

D. A peer-to-peer car sharing program shall ensure that during each car sharing period the shared vehicle owner and the shared vehicle driver are insured under a motor vehicle liability insurance policy or other applicable insurance policy that provides insurance coverage in an amount not less than the minimum amount of coverage required by section 28-4009 and that either:

1. Recognizes that the vehicle insured under the policy is made available and used through a peer-to-peer car sharing program.
2. Does not exclude the use of a shared vehicle by a shared vehicle driver.

E. The insurance required by this section may be satisfied by motor vehicle liability insurance that is maintained by any of the following or a combination of all of the following:

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1. A shared vehicle owner.

2. A shared vehicle driver.

3. A peer-to-peer car sharing program.

F. The insurance required pursuant to subsections D and E of this section is primary during each car sharing period.

G. The peer-to-peer car sharing program shall assume primary liability for a claim if all of the following occur:

1. The peer-to-peer car sharing program provides the insurance required by this section in whole or in part.

2. A dispute exists as to who was in control of the shared vehicle at the time of the loss.

3. The peer-to-peer car sharing program for any reason fails to provide the information required by section 28-9605.

H. If insurance is maintained by a shared vehicle owner or a shared vehicle driver pursuant to subsection E of this section and that insurance has lapsed or does not provide the required coverage:

1. Insurance that is maintained by a peer-to-peer car sharing program shall provide the coverage required by subsection D of this section beginning with the first dollar of a claim.

2. The peer-to-peer car sharing program has a duty to defend a claim except a claim to which subsection B of this section applies.

I. The shared vehicle's insurer shall indemnify the peer-to-peer car sharing program to the extent of its obligation, if any, under the applicable insurance policy if it is determined that the shared vehicle owner was in control of the shared vehicle at the time of the loss.

J. Coverage under a motor vehicle liability insurance policy that is maintained by a peer-to-peer car sharing program is not dependent on a motor vehicle liability insurer first denying a claim under any other motor vehicle insurance policy.

K. A peer-to-peer car sharing program may not:

1. Offer or sell insurance except in conjunction with and incidental to car sharing program agreements.

2. Advertise, represent or otherwise portray itself or any of its employees or agents as licensed insurers or insurance producers, unless the peer-to-peer car sharing program is a licensed insurer or insurance producer.

3. Pay a person any compensation, fee or commission that is dependent on the placement of insurance under a peer-to-peer car

or pay a person any compensation, fee or commission that is dependent on the placement of insurance under a peer-to-peer car sharing program's license issued pursuant to title 20.

4. Make a car sharing program agreement contingent on the shared vehicle driver purchasing insurance through the peer-to-peer car sharing program.

L. Notwithstanding any other law, this chapter does not prohibit a peer-to-peer car sharing program from recovering its insurance costs incurred in satisfying its obligations pursuant to this section from a shared vehicle owner or shared vehicle driver.

M. Subsection K of this section does not prohibit production payments or incentive payments to an employee if the payments are not dependent on the sale of insurance.

N. This chapter does not limit either of the following:

1. The liability of the peer-to-peer car sharing program for any act or omission of the peer-to-peer car sharing program that results in injury to any person as a result of the use of a shared vehicle through a peer-to-peer car sharing program.

2. The ability of the peer-to-peer car sharing program to, by contract, seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program resulting from a breach of the terms and conditions of the car sharing program agreement.